



# 5157A

**VITA/TCE Affordable Care Act - Taxpayer Scenarios**

**Volunteer Income Tax Assistance (VITA) / Tax Counseling for the Elderly (TCE)**

**2014 RETURNS**



Take your VITA/TCE training online at [www.irs.gov](http://www.irs.gov) (keyword: Link & Learn Taxes). Link to the Practice Lab to gain experience using tax software and take the certification test online, with immediate scoring and feedback.



## How to Get Technical Updates?

Updates to the volunteer training materials will be contained in Publication 4491X, VITA/TCE Training Supplement. To access this publication, in the upper right hand corner of [www.irs.gov](http://www.irs.gov), type in “Pub 4491X” in the search field.

During the tax season Volunteer Tax Alerts will be issued periodically. Type “volunteer alerts”, in the search field to access all tax alerts.

### Volunteer Standards of Conduct

#### VITA/TCE Programs

The mission of the VITA/TCE return preparation programs is to assist eligible taxpayers in satisfying their tax responsibilities by providing **free** tax return preparation. To establish the greatest degree of public trust, volunteers are required to maintain the highest standards of ethical conduct and provide quality service.

All VITA/TCE volunteers (whether paid or unpaid workers) must complete the *Volunteer Standards of Conduct Training*, and sign Form 13615, *Volunteer Standards of Conduct Agreement*, prior to working at a VITA/TCE site. In addition, return preparers, quality reviewers, and VITA/TCE tax law instructors must certify in tax law prior to signing this form. This form is not valid until the site coordinator, sponsoring partner, instructor, or IRS contact confirms the volunteer’s identity and signs and dates the form.

As a volunteer in the VITA/TCE Programs, you must:

1. Follow the Quality Site Requirements (QSR).
2. Not accept payment or solicit donations for federal or state tax return preparation.
3. Not solicit business from taxpayers you assist or use the knowledge you gained (their information) about them for any direct or indirect personal benefit for you or any other specific individual.
4. Not knowingly prepare false returns.
5. Not engage in criminal, infamous, dishonest, notoriously disgraceful conduct, or any other conduct deemed to have a negative effect on the VITA/TCE Programs.
6. Treat all taxpayers in a professional, courteous, and respectful manner.

Failure to comply with these standards could result in, but is not limited to, the following:

- Your removal from all VITA/TCE Programs;
- Inclusion in the IRS Volunteer Registry to bar future VITA/TCE activity indefinitely;
- Deactivation of your sponsoring partner’s site VITA/TCE EFIN (electronic filing ID number);
- Removal of all IRS products, supplies, loaned equipment, and taxpayer information from your site;
- Termination of your sponsoring organization’s partnership with the IRS;
- Termination of grant funds from the IRS to your sponsoring partner; and
- Referral of your conduct for potential TIGTA and criminal investigations.

TaxWise® is a copyrighted software program owned by CCH Small Firm Services (CCH). All screen shots that appear throughout the official Volunteer Income Tax Assistance (VITA) and Tax Counseling for the Elderly (TCE) training materials are used with the permission of CCH. The screen shots used in this publication—or any other screen shots from TaxWise® or its affiliated programs—may not be extracted, copied, or distributed without written approval from the IRS SPEC Office of Products, Systems, & Analysis.

#### Confidentiality Statement:

All tax information you receive from taxpayers in your VOLUNTEER capacity is strictly confidential and should not, under any circumstances, be disclosed to unauthorized individuals.

## Instructions

The purpose of the following five examples is to give volunteers an opportunity to practice completing forms and worksheets associated with the new Affordable Care Act (ACA) tax provisions. Adequate information is provided to prepare simple tax returns with various health insurance coverage scenarios that you may encounter. Following each scenario are screen shots from the tax preparation software that will allow you to check your work.

As in the volunteer test and workbook, all taxpayer names, addresses and social security numbers provided in the scenarios are fictitious. When entering Social Security numbers (SSNs), replace the Xs with your unique User ID (in Practice Lab) or, if using other forms of the software, replace the Xs as directed. Use your city, state, and ZIP code when completing any forms. For the purposes of the premium tax credit calculations on Form 8962, use "Other 48 states and DC" so your calculations will match the provided answers.

### Example 1 – Taxpayer with Minimum Essential Coverage

- Greg Clayton is single with no dependents. No one can claim him as a dependent.
- His SSN is 621-XX-XXXX
- Greg has health insurance coverage through a plan offered by his employer. The employer withholds Greg's share of the insurance premium pretax from his paycheck each week.
- Greg's W-2 shows the following:
  - Box 1 = \$38,000
  - Box 2, \$3,800
  - Box 12, \$3,640 with code DD
- The taxpayer's identity and Social Security card were checked.

**Directions:** Start a new return using Practice Lab, TWO or TW Desktop. Complete the Main Info sheet and Form W-2 using the information provided in the interview notes above and the intake sheet excerpts below. Allow TaxWise to calculate all other entries for the W-2. Complete the volunteer sections of the intake sheet. Then complete the following steps:

1. Complete 1040 ACA Wkt
2. Compare your result to the screen shots on the following pages

Form <b>13614-C</b> (October 2014)		Department of the Treasury - Internal Revenue Service <b>Intake/Interview &amp; Quality Review Sheet</b>				OMB Number 1545-1984							
<b>You will need:</b> <ul style="list-style-type: none"> <li>Tax Information such as Forms W-2, 1099, 1098.</li> <li>Social security cards or ITIN letters for all persons on your tax return.</li> <li>Picture ID (such as valid driver's license) for you and your spouse.</li> </ul>						<ul style="list-style-type: none"> <li>Please complete pages 1-3 of this form.</li> <li>You are responsible for the information on your return. Please provide complete and accurate information.</li> <li>If you have questions, please ask the IRS certified volunteer preparer.</li> </ul>							
<b>Part I - Your Personal Information</b>													
1. Your first name <b>Greg</b>		M.I.	Last name <b>Clayton</b>		Are you a U.S. citizen? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No								
2. Your spouse's first name		M.I.	Last name		Is your spouse a U.S. citizen? <input type="checkbox"/> Yes <input type="checkbox"/> No								
3. Mailing address <b>55 Concord Court</b>				Apt #	City <b>Your City</b>	State <b>YS</b>	ZIP code <b>Your ZIP</b>						
4. Telephone number(s) Your Phone #				Email address (optional)									
5. Your Date of Birth <b>7/22/1987</b>		6. Your job title <b>Sales Rep</b>		7. Last year, were you:		a. Full time student <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No							
				b. Totally and permanently disabled <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		c. Legally blind <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No							
8. Your spouse's Date of Birth		9. Your spouse's job title		10. Last year, was your spouse:		a. Full time student <input type="checkbox"/> Yes <input type="checkbox"/> No							
				b. Totally and permanently disabled <input type="checkbox"/> Yes <input type="checkbox"/> No		c. Legally blind <input type="checkbox"/> Yes <input type="checkbox"/> No							
11. Can anyone claim you or your spouse on their tax return? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Unsure													
12. Have you or your spouse:				a. Been a victim of identity theft? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No									
				b. Adopted a child? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No									
<b>Part II - Marital Status and Household Information</b>													
1. As of December 31 of last year, were you:		<input checked="" type="checkbox"/> Single (This includes registered domestic partnerships, civil unions, or other formal relationships under state law)											
		<input type="checkbox"/> Married		a. Did you live with your spouse during any part of the last six months of 2014?		<input type="checkbox"/> Yes <input type="checkbox"/> No							
		<input type="checkbox"/> Divorced or Legally Separated		b. Was your marriage recognized under the laws of the state(s) you are filing in?		<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Unsure							
		<input type="checkbox"/> Widowed		Date of final decree or separate maintenance agreement									
		Year of spouse's death											
2. List the names below of:													
• everyone who lived with you last year (other than you or your spouse)													
• anyone you supported but did not live with you last year													
If additional space is needed check here <input type="checkbox"/> and list on page 3													
<b>To be completed by a Certified Volunteer Preparer</b>													
Name (first, last) Do not enter your name or spouse's name below	Date of Birth (mm/dd/yyyy)	Relationship to you (for example: son, daughter, parent, none, etc)	Number of months lived in your home last year	US Citizen (yes/no)	Resident of US, Canada, or Mexico last year (yes/no)	Single or Married as of 12/31/14 (S/M)	Full-time Student last year (yes/no)	Totally and Permanently Disabled (yes/no)	Can this person be claimed by someone else as a dependent on their return? (yes/no)	Did this person provide more than 50% of their own support? (yes/no)	Did this person have less than \$3950 of income? (yes/no)	Did the taxpayer(s) provide more than 50% of support for this person? (yes/no)	Did the taxpayer(s) pay more than half the cost of maintaining a home for this person? (yes/no)
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)					

Greg's intake sheet, page 2 is below (all other entries on this page are marked "No"):

Page 2			
Yes	No	Unsure	Check appropriate box for each question in each section
<b>Part III - Income - Last Year, Did You (or Your Spouse) Receive</b>			
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1. (B) Wages or Salary? (Form W-2) If yes, how many jobs did you have last year? <b>1</b>
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	2. (A) Tip Income?
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	3. (B) Scholarships? (Forms W-2, 1098-T)
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	4. (B) Interest/Dividends from: checking/savings accounts, bonds, CDs, brokerage? (Forms 1099-INT, 1099-DIV)

Greg's intake sheet, page 3:

Page 3			
Yes	No	Unsure	Check appropriate box for each question in each section
<b>Part VI: Health Care Coverage (includes CHIP, Medicare, Medicaid, Employer-Sponsored Insurance, Individual Health Insurance, etc.)</b>			
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1. Last year, did you have health care coverage for you, your spouse, and all qualifying dependents? (Forms W-2, 1099 SSA and Form 1095 series)
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	2. Last year, did you or your spouse receive an advance payment from the Marketplace to help you pay for your monthly health care payments? (Form 1095A)



## Step 1 Result:

Confirm with Greg that he had MEC all year, and indicate this on Part VI of his intake sheet:

Page 3				
Yes	No	Unsure	Check appropriate box for each question in each section	
<b>Part VI: Health Care Coverage</b> (includes CHIP, Medicare, Medicaid, Employer-Sponsored Insurance, Individual Health Insurance, etc.)				
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1. Last year, did you have health care coverage for you, your spouse, and all qualifying dependents? (Forms W-2, 1099 SSA and Form 1095 series)	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	2. Last year, did you or your spouse receive an advance payment from the Marketplace to help you pay for your monthly health care payments? (Form 1095A)	
Visit <a href="http://www.healthcare.gov/">http://www.healthcare.gov/</a> or call 1-800-318-2596 for more information on health insurance coverage options and assistance.				
If you're receiving advance payments of the premium tax credit to help pay for your health insurance coverage, you should report life changes, such as income, marital status or family size changes, to your marketplace. Reporting changes will help to make sure you are getting the proper amount of advance payments.				
<b>To be completed by a Certified Volunteer Preparer</b> (Use Publication 4012 and check the appropriate box(es) indicating the health care coverage status for everyone listed on the return)				
Had Health Care Coverage	(B) For the Entire year (12 months)	(B) For part of the year (Less than 12 months)	(B) No Health Care Coverage at all	(B) Qualify for an exemption
Taxpayer	<input checked="" type="checkbox"/>			
Spouse				
Dependent number 1 (page 1)				
Dependent number 2 (page 1)				
Dependent number 3 (page 1)				
Dependent number 4 (page 1)				

Greg's completed Affordable Care Act Worksheet (1040 ACA Wkt) is shown below. Because he had minimum essential coverage all year purchased through his employer, check only the "Full" box.

For each individual, check the box in the column labeled "Full" if the individual had minimum essential coverage for the entire year, check the box labeled "None" if the individual did not have insurance all year, or check the box for each month that the individual did not have minimum essential coverage. If you are applying for an exemption or have been granted a full or partial exemption for an individual, check the box in the column labeled "Exm" and only check those months that are not covered by the exemption, if any. If you received insurance through the Marketplace, check the box labeled "Mkt".

	Full	None	Mkt	Exm	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
GREG CLAYTON Under age 18 at beginning of month	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The software will check the "Full-year coverage" box to indicate that everyone on the tax return had insurance all year.

60a Household employment taxes. Schedule H	0
60b First-time homebuyer credit repayment. Form 5405	0
61 Health care: individual responsibility	0
62 Taxes from	
<div style="display: flex; justify-content: space-between;"> <span><input type="checkbox"/> Form 8959</span> <span><input type="checkbox"/> Form 8960</span> <span><input type="checkbox"/></span> </div>	
<div style="display: flex; justify-content: space-between;"> <span>UT: 0</span> <span>MSA: 0</span> <span>72M5: 0</span> </div>	

## Example 2 - Premium Tax Credit with Advance Payments

- Sheryl Graves has two children she claims as dependents, Trina and Travis, who live with her all year. She divorced in 2010. Sheryl pays all the costs of keeping up the home. Their SSNs are:
  - Sheryl – 605-XX-XXXX
  - Trina – 606-XX-XXXX
  - Travis – 607-XX-XXXX
- Sheryl's mother, Monique Floyd, also lives with her. Sheryl provides over half of Monique's support and claims her as a dependent. Monique's SSN is 608-XX-XXXX. Her only income for 2014 is \$4,500 received from Social Security and she was covered by Medicare.
- Sheryl's Form W-2 box 1 amount is \$36,429; W-2 box 2 is \$1,026. She had no other income or deductions.
- Sheryl's employer does not offer health insurance coverage. She purchased minimum essential coverage for herself and her children through the Marketplace. They were covered for the entire year. Sheryl received advance payments towards her insurance premiums.
- Excerpts of Sheryl's Form 13614-C and her Form 1095-A are shown below. The taxpayer's identity and all Social Security cards were checked.

**Directions:** Start a new return using Practice Lab, TWO or TW Desktop. Complete the Main Info sheet and Form W-2 using the information provided in the interview notes above and the forms below. Allow TaxWise to calculate all other entries for the W-2, child tax credit and EIC. Complete the volunteer sections of the intake sheet. Then complete the following steps:

1. Complete 1040 ACA Wkt
2. Complete Form 8962
3. Compare your result to the screen shots on the following pages

Sheryl's intake sheet, page 2 (all other entries are checked "No"):

Sheryl's intake sheet, page 3:

5

**Health Insurance Marketplace Statement**► Information about Form 1095-A and its separate instructions  
is at [www.irs.gov/form1095a](http://www.irs.gov/form1095a).☐ CORRECTED**2014****Part I** Recipient Information

1 Marketplace Identifier XXXXXX	2 Marketplace-assigned policy number XXXXXX	3 Policy issuer's name XXXXXXXXXXXX
4 Recipient's name Sheryl Graves	5 Recipient's SSN 605-XX-XXXX	6 Recipient's date of birth 05/17/1979
7 Recipient's spouse's name	8 Recipient's spouse's SSN	9 Recipient's spouse's date of birth
10 Policy start date 01/01/2014	11 Policy termination date 12/31/2014	12 Street address (including apartment no.) 321 Martin Road
13 City or town Your City	14 State or province Your State	15 Country and ZIP or foreign postal code Your ZIP

**Part II** Coverage Household

	A. Covered Individual Name	B. Covered Individual SSN	C. Covered Individual Date of Birth	D. Covered Individual Start Date	E. Covered Individual Termination Date
16	Sheryl Graves	605-XX-XXXX	05/17/1979	01/01/2014	12/31/2014
17	Trina Graves	606-XX-XXXX	03/01/1999	01/01/2014	12/31/2014
18	Travis Graves	607-XX-XXXX	12/25/2000	01/01/2014	12/31/2014
19					
20					

**Part III** Household Information

Month	A. Monthly Premium Amount	B. Monthly Premium Amount of Second Lowest Cost Silver Plan (SLCSP)	C. Monthly Advance Payment of Premium Tax Credit
21 January	\$587.00	\$774.00	\$492.00
22 February	\$587.00	\$774.00	\$492.00
23 March	\$587.00	\$774.00	\$492.00
24 April	\$587.00	\$774.00	\$492.00
25 May	\$587.00	\$774.00	\$492.00
26 June	\$587.00	\$774.00	\$492.00
27 July	\$587.00	\$774.00	\$492.00
28 August	\$587.00	\$774.00	\$492.00
29 September	\$587.00	\$774.00	\$492.00
30 October	\$587.00	\$774.00	\$492.00
31 November	\$587.00	\$774.00	\$492.00
32 December	\$587.00	\$774.00	\$492.00
33 Annual Totals	\$7,044.00	\$9,288.00	\$5,904.00

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions.

Cat. No. 60703Q

Form **1095-A** (2014)



## Step 1 Result:

Complete the volunteer section of Sheryl's intake sheet on page 1:

2. List the names below of:  
 • everyone who lived with you last year (other than you or your spouse)  
 • anyone you supported but did not live with you last year

If additional space is needed check here ☐ and list on page 3

									To be completed by a Certified Volunteer Preparer				
Name (first, last) Do not enter your name or spouse's name below	Date of Birth (mm/dd/yyyy)	Relationship to you (for example: son, daughter, parent, none, etc)	Number of months lived in your home last year	US Citizen (yes/no)	Resident of U.S., Canada, or Mexico last year (yes/no)	Single or Married as of 12/31/14 (S/M)	Full-time Student last year (yes/no)	Totally and Permanently Disabled (yes/no)	Can this person be claimed by someone else as a dependent on their return? (yes/no)	Did this person provide more than 50% of their own support? (yes/no)	Did this person have less than \$3950 of income? (yes/no)	Did the taxpayer(s) provide more than 50% of support for this person? (yes/no)	Did the taxpayer(s) pay more than half the cost of maintaining a home for this person? (yes/no)
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)					
Trina Graves	03/01/1999	Daughter	12	Yes	Yes	S	Yes	No	No	No	Yes	Yes	Yes
Travis Graves	12/25/2000	Son	12	Yes	Yes	S	Yes	No	No	No	Yes	Yes	Yes
Monique Floyd	05/05/1944	Mother	12	Yes	Yes	S	No	No	No	No	Yes	Yes	Yes

Volunteers are trained to provide high quality service and uphold the highest ethical standards.

Complete Part VI of Sheryl's intake sheet after confirming her insurance coverage:

If you're receiving advance payments of the premium tax credit to help pay for your health insurance coverage, you should report life changes, such as income, marital status or family size changes, to your marketplace. Reporting changes will help to make sure you are getting the proper amount of advance payments.

**To be completed by a Certified Volunteer Preparer** (Use Publication 4012 and check the appropriate box(es) indicating the health care coverage status for everyone listed on the return)

Had Health Care Coverage	(B) For the Entire year (12 months)	(B) For part of the year (Less than 12 months)	(B) No Health Care Coverage at all	(B) Qualify for an exemption
Taxpayer	X			
Spouse				
Dependent number 1 (page 1)	X			
Dependent number 2 (page 1)	X			
Dependent number 3 (page 1)	X			
Dependent number 4 (page 1)				

Sheryl's completed Affordable Care Act Worksheet (1040 ACA Wkt) is shown below. Because Sheryl, Trina, Travis all had minimum essential coverage all year purchased through the Marketplace, check both the "Full" and the "Mkt" box for each of them. Monique had minimum essential coverage that was not purchased through the Marketplace, so only the "Full" box is checked for her. The boxes that indicate Trina and Travis are under age 18 are a calculated entry in Practice Lab and populate automatically.

	Full	None	Mkt	Exm	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>SHERYL GRAVES</b>	<input checked="" type="radio"/>	<input type="radio"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Under age 18 at beginning of month	<input type="radio"/>	<input type="radio"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>TRINA GRAVES</b>	<input checked="" type="radio"/>	<input type="radio"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Under age 18 at beginning of month	<input checked="" type="radio"/>	<input type="radio"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<b>TRAVIS GRAVES</b>	<input checked="" type="radio"/>	<input type="radio"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Under age 18 at beginning of month	<input checked="" type="radio"/>	<input type="radio"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>MONIQUE FLOYD</b>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Under age 18 at beginning of month	<input type="radio"/>	<input type="radio"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The software will check the "Full-year coverage" box to indicate that everyone on the tax return had insurance all year.

<b>60a</b> Household employment taxes. Schedule H		0
<b>b</b> First-time homebuyer credit repayment. Form 5405		0
<b>61</b> Health care: individual responsibility	Full-year coverage: <input checked="" type="checkbox"/>	0
<b>62</b> Taxes from	<input type="checkbox"/> Form 8959 <input type="checkbox"/> Form 8960 <input type="checkbox"/>	

**Step 2 Result:** See Sheryl's completed **Form 8962** below.

You do not need to enter an amount on line 2b because none of Sheryl's dependents were required to file a return.

<b>Part 1: Annual and Monthly Contribution Amount</b>	
<b>1</b> Family size	4
<b>2a</b> Modified AGI	36429
<b>b</b> Enter total of your dependents' modified AGI	0
<b>3</b> Household income	36429
<b>4</b> Federal poverty line - check the appropriate box for the state you resided in. If you moved during 2014 and you lived in Alaska and / or Hawaii, or if filing jointly and you and your spouse lived in different states, check all of the boxes that apply. The table that results in the highest income will be used.	
<input type="checkbox"/> Alaska <input type="checkbox"/> Hawaii <input checked="" type="checkbox"/> Other 48 states and DC	23550
<b>5</b> Household income as a percentage of Federal poverty line	155 %
<b>6</b> Is the result on line 5 less than or equal to 400%? See instructions if result is less than 100%.	
<input checked="" type="checkbox"/> Yes. Continue to line 7.	
<input type="checkbox"/> No. You are not eligible to receive the PTC. If you received advance payment of PTC, skip lines 7 and 8 and go to line 9. If you did not receive any advance payment of PTC, stop here.	
If the percentage on line 5 is less than 100%, did the taxpayer qualify for the PTC under the requirements in the instructions? <input type="radio"/> Yes. <input type="radio"/> No.	
<b>7</b> Applicable figure from the table in the instructions	0.0423
<b>8a</b> Annual contribution for health care - multiply line 3 by line 7	1541
<b>b</b> Monthly contribution for health care - divide line 8a by 12	128

**Part 2: Premium Tax Credit Claim and Reconciliation of Advance Payment of Premium Tax Credit**

- 9 Did you share a policy with another taxpayer or get married during the year and want to use the alternative calculation? (see instructions)  
☐ **Yes.** Skip to Part 4, Share Policy Allocation, or Part 5, Alternative Calculation for Year of Marriage  
☒ **No.** Continue to line 10.
- 10 Do all Forms 1095-A for your tax household include coverage for January through December with no changes in monthly amounts shown in lines 21 - 32, columns A and B?  
☒ **Yes.** Continue to line 11. Compute your annual PTC. Skip lines 12 - 23 and continue to line 24.  
☐ **No.** Continue to lines 12 - 23. Compute your monthly PTC and continue to line 24.

**Annual Calculation**

	<b>A</b> Premium amount Form 1095-A line 33A	<b>B</b> Annual premium amount of SLCSP Form 1095-A line 33B	<b>C</b> Annual contribution amount Line 8A	<b>D</b> Annual maximum premium assistance	<b>E</b> Annual premium tax credit allowed	<b>F</b> Annual advance payment of PTC Form 1095-A line 33C
<b>11</b> Annual totals	7044	9288	1541	7747	7044	5904
<b>22</b> Nov	0	0	0	0	0	0
<b>23</b> Dec	0	0	0	0	0	0
<b>24</b> Total premium tax credit						7044
<b>25</b> Advance payment of PTC						5904
<b>26</b> Net premium tax credit						1140

Sheryl's net premium tax credit carries over to her Form 1040, page 2.

**Payments**

<b>64</b> Federal income tax withheld	1026
Enter Federal withholding from 1099s (1099B, etc)	0
<b>65</b> 2014 estimated tax payments and amount applied from 2013 return	0
If estimated tax was paid in joint names and you are now divorced, enter ex-spouse's SSN: and check here <input type="checkbox"/>	
<b>66a</b> Earned income credit	1544
<b>b</b> Nontaxable combat pay election <input type="checkbox"/> No: <input type="checkbox"/>	0
<b>67</b> Additional child tax credit. Schedule 8812	847
<b>68</b> American opportunity credit. Form 8863	0
<b>69</b> Net premium tax credit. Form 8962	1140
<b>70</b> Amount paid with request for extension of time to file	0
<b>71</b> Excess social security and tier 1 RRTA tax withheld	0
<b>72</b> Credit for Federal tax on fuels. Form 4136	0
<b>73</b> Credits from Form	
<input type="checkbox"/> 2439 <input type="checkbox"/> Reserved <input type="checkbox"/> Reserved <input type="checkbox"/>	0
I.R.C. Section 1341 credit	0
From Form 8689	0
<b>74</b> Total payments. Add lines 64, 65, 66a and 67 through 73	4557

### Example 3 - Premium Tax Credit with Advance Payments

- Charles and Shay Baldwin are married with two dependent children, Nathaniel and Karly, who live with them all year. Their SSNs are:
  - Charles – 609-XX-XXXX
  - Shay – 610-XX-XXXX
  - Nathaniel – 611-XX-XXXX
  - Karly – 612-XX-XXXX
- For 2014, Charles' Form W-2 box 1 is \$33,500, box 2 is \$1,820. Shay's W-2 shows \$17,750 in box 1 and \$1,153 in box 2.
- Charles' and Shay's employers do not offer health insurance coverage. In early March, Charles enrolled in a plan through the Marketplace that covered him, Shay, and both children with an effective date of April 1, 2014. He selected the second lowest cost silver plan. They received advance payments. During the year, Charles received an unexpected raise in pay. They did not notify the Marketplace.
- Excerpts of their Form 13614-C and their Form 1095-A are shown below. The taxpayers' identities and all Social Security cards were checked.

**Directions:** Start a new return using Practice Lab, TWO or TW Desktop. Complete the Main Info sheet and Forms W-2 using the information provided in the interview notes above and the forms below. Allow TaxWise to calculate all other entries for the W-2, child tax credit and EIC. Complete the volunteer portions of the intake sheet. Then complete the following steps:

1. Complete 1040 ACA Wkt
2. Complete Form 8965
3. Complete Form 8962
4. Compare your result to the screen shots on the following pages

<b>Form 13614-C</b> (October 2014)	Department of the Treasury - Internal Revenue Service <b>Intake/Interview &amp; Quality Review Sheet</b>	OMB Number 1545-1964											
<b>You will need:</b> <ul style="list-style-type: none"> <li>Tax Information such as Forms W-2, 1099, 1098.</li> <li>Social security cards or ITIN letters for all persons on your tax return.</li> <li>Picture ID (such as valid driver's license) for you and your spouse.</li> </ul>													
<b>Part I – Your Personal Information</b>													
1. Your first name <b>Charles</b>	M.I. <b>Baldwin</b>	Last name <b>Baldwin</b>											
2. Your spouse's first name <b>Shay</b>	M.I. <b>Baldwin</b>	Last name <b>Baldwin</b>											
3. Mailing address <b>775 Banks St</b>	Apt # <b></b>	City <b>Your City</b>											
4. Telephone number(s) <b>Your Phone #</b>	Email address (optional) <b></b>												
5. Your Date of Birth <b>12/03/1981</b>	6. Your job title <b>Customer Service Rep</b>	7. Last year, were you: a. Full time student <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No b. Totally and permanently disabled <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No c. Legally blind <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No											
8. Your spouse's Date of Birth <b>06/10/1985</b>	9. Your spouse's job title <b>Cashier</b>	10. Last year, was your spouse: a. Full time student <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No b. Totally and permanently disabled <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No c. Legally blind <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No											
11. Can anyone claim you or your spouse on their tax return? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Unsure													
12. Have you or your spouse: a. Been a victim of identity theft? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No b. Adopted a child? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No													
<b>Part II – Marital Status and Household Information</b>													
1. As of December 31 of last year, were you: <input type="checkbox"/> Single (This includes registered domestic partnerships, civil unions, or other formal relationships under state law) <input checked="" type="checkbox"/> Married a. Did you live with your spouse during any part of the last six months of 2014? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No b. Was your marriage recognized under the laws of the state(s) you are filing in? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Unsure <input type="checkbox"/> Divorced or Legally Separated Date of final decree or separate maintenance agreement <b></b> <input type="checkbox"/> Widowed Year of spouse's death <b></b>													
2. List the names below of: • everyone who lived with you last year (other than you or your spouse) • anyone you supported but did not live with you last year													
If additional space is needed check here <input type="checkbox"/> and list on page 3													
<b>To be completed by a Certified Volunteer Preparer</b>													
Name (first, last) Do not enter your name or spouse's name below	Date of Birth (mm/dd/yy)	Relationship to you (for example: son, daughter, parent, none, etc)	Number of months lived in your home last year	US Citizen (yes/no)	Resident of US, Canada, or Mexico last year (yes/no)	Single or Married as of 12/31/14 (S/M)	Full-time Student last year (yes/no)	Totally and Permanently Disabled (yes/no)	Can this person be claimed by someone else as a dependent on their return? (yes/no)	Did this person provide more than 50% of their own support? (yes/no)	Did this person have less than \$3950 of income? (yes/no)	Did the taxpayer(s) provide more than 50% of support for this person? (yes/no)	Did the taxpayer(s) pay more than half the cost of maintaining a home for this person? (yes/no)
(a) <b>Nathaniel Baldwin</b>	(b) <b>04/04/2004</b>	(c) <b>Son</b>	(d) <b>12</b>	(e) <b>Yes</b>	(f) <b>Yes</b>	(g) <b>S</b>	(h) <b>Yes</b>	(i) <b>No</b>					
<b>Karly Baldwin</b>	<b>04/29/2006</b>	<b>Daughter</b>	<b>12</b>	<b>Yes</b>	<b>Yes</b>	<b>S</b>	<b>Yes</b>	<b>No</b>					

The Baldwins' intake sheet, page 2 (all other entries on this page are checked "No"):

Page 2			
Yes	No	Unsure	Check appropriate box for each question in each section
<b>Part III – Income – Last Year, Did You (or Your Spouse) Receive</b>			
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1. (B) Wages or Salary? (Form W-2) If yes, how many jobs did you have last year? <b>2</b>
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	2. (A) Tip Income?
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	3. (B) Scholarships? (Forms W-2, 1098-T)
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	4. (B) Interest/Dividends from: checking/savings accounts, bonds, CDs, brokerage? (Forms 1099-INT, 1099-DIV)

Page 3 of the intake sheet:

Page 3			
Yes	No	Unsure	Check appropriate box for each question in each section
<b>Part VI: Health Care Coverage (includes CHIP, Medicare, Medicaid, Employer-Sponsored Insurance, Individual Health Insurance, etc.)</b>			
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1. Last year, did you have health care coverage for you, your spouse, and all qualifying dependents? (Forms W-2, 1099 SSA and Form 1095 series)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	2. Last year, did you or your spouse receive an advance payment from the Marketplace to help you pay for your monthly health care payments? (Form 1095A)
Visit <a href="http://www.healthcare.gov/">http://www.healthcare.gov/</a> or call 1-800-318-2596 for more information on health insurance coverage options and assistance.			



**Part I** Recipient Information

1 Marketplace Identifier XXXXXX	2 Marketplace-assigned policy number XXXXXXX	3 Policy issuer's name XXXXXXXXXXXX
4 Recipient's name Charles Baldwin	5 Recipient's SSN 609-XX-XXXX	6 Recipient's date of birth 12/03/1981
7 Recipient's spouse's name Shay Baldwin	8 Recipient's spouse's SSN 610-XX-XXXX	9 Recipient's spouse's date of birth
10 Policy start date 04/01/2014	11 Policy termination date 12/31/2014	12 Street address (including apartment no.) 775 Banks St
13 City or town Your City	14 State or province Your State	15 Country and ZIP or foreign postal code Your ZIP

**Part II** Coverage Household

	A. Covered Individual Name	B. Covered Individual SSN	C. Covered Individual Date of Birth	D. Covered Individual Start Date	E. Covered Individual Termination Date
16	Charles Baldwin	609-XX-XXXX	12/03/1981	04/01/2014	12/31/2014
17	Shay Baldwin	610-XX-XXXX	06/10/1985	04/01/2014	12/31/2014
18	Nathaniel Baldwin	611-XX-XXXX	04/04/2004	04/01/2014	12/31/2014
19	Karly Baldwin	612-XX-XXXX	04/29/2006	04/01/2014	12/31/2014
20					

**Part III** Household Information

Month	A. Monthly Premium Amount	B. Monthly Premium Amount of Second Lowest Cost Silver Plan (SLCSP)	C. Monthly Advance Payment of Premium Tax Credit
21 January			
22 February			
23 March			
24 April	\$789.00	\$789.00	\$507.00
25 May	\$789.00	\$789.00	\$507.00
26 June	\$789.00	\$789.00	\$507.00
27 July	\$789.00	\$789.00	\$507.00
28 August	\$789.00	\$789.00	\$507.00
29 September	\$789.00	\$789.00	\$507.00
30 October	\$789.00	\$789.00	\$507.00
31 November	\$789.00	\$789.00	\$507.00
32 December	\$789.00	\$789.00	\$507.00
33 Annual Totals	\$7,101.00	\$7,101.00	\$4,563.00

## Step 1 Result

Complete the volunteer section of the Baldwins' intake sheet, Part II:

2. List the names below of: • everyone who lived with you last year (other than you or your spouse) • anyone you supported but did not live with you last year									If additional space is needed check here <input type="checkbox"/> and list on page 3				
									To be completed by a Certified Volunteer Preparer				
Name (first, last) Do not enter your name or spouse's name below	Date of Birth (mm/dd/yy)	Relationship to you (for example: son, daughter, parent, none, etc)	Number of months lived in your home last year	US Citizen (yes/no)	Resident of US, Canada, or Mexico last year (yes/no)	Single or Married as of 12/31/14 (S/M)	Full-time Student last year (yes/no)	Totally and Permanently Disabled (yes/no)	Can this person be claimed by someone else as a dependent on their return? (yes/no)	Did this person provide more than 50% of their own support? (yes/no)	Did this person have less than \$3950 of income? (yes/no)	Did the taxpayer(s) provide more than 50% of support for this person? (yes/no)	Did the taxpayer(s) pay more than half the cost of maintaining a home for this person? (yes/no)
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)					
Nathaniel Baldwin	04/04/2004	Son	12	Yes	Yes	S	Yes	No	No	No	No	Yes	Yes
Karly Baldwin	04/29/2006	Daughter	12	Yes	Yes	S	Yes	No	No	No	No	Yes	Yes

Complete the volunteer section of the Baldwins' intake sheet, Part VI:

To be completed by a Certified Volunteer Preparer (Use Publication 4012 and check the appropriate box(es) indicating the health care coverage status for everyone listed on the return)				
Had Health Care Coverage	(B) For the Entire year (12 months)	(B) For part of the year (Less than 12 months)	(B) No Health Care Coverage at all	(B) Qualify for an exemption
Taxpayer		X		X
Spouse		X		X
Dependent number 1 (page 1)		X		X
Dependent number 2 (page 1)		X		X
Dependent number 3 (page 1)				
Dependent number 4 (page 1)				

Charles and Shay's completed Affordable Care Act Worksheet (1040 ACA Wkt) is shown below. Because Charles, Shay, Nathaniel and Karly all had minimum essential coverage purchased through the Marketplace from April through December, and they qualify for an exemption for January, February and March, check both the "Mkt" and "Exm" boxes for each of them. Since there is no shared responsibility to calculate, do not check any other boxes. The boxes that indicate Nathaniel and Karly are under age 18 are a calculated entry in Practice Lab and populate automatically.

	Full	None	Mkt	Exm	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
CHARLES BALDWIN	<input type="radio"/>	<input type="radio"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Under age 18 at beginning of month					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
SHAY BALDWIN	<input type="radio"/>	<input type="radio"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Under age 18 at beginning of month					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
NATHANIEL BALDWIN	<input type="radio"/>	<input type="radio"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Under age 18 at beginning of month					<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
KARLY BALDWIN	<input type="radio"/>	<input type="radio"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Under age 18 at beginning of month					<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

**Step 2 Result:** The Form 8965 Instructions contain a list of coverage exemptions and descriptions. Each member of the family can claim a coverage exemption for a gap in coverage at the beginning of 2014 because they enrolled in coverage through the Marketplace which started on or before May 1, 2014. Use code G for this coverage exemption type. See Part II of the Baldwin's completed Form 8965:

**Part II: Coverage Exemptions for Your Household Claimed on Your Return**

7a Are you claiming an exemption because your household income is below the filing threshold? ☐ Yes ☒ No

b Are you claiming a hardship exemption because your gross income is below the filing threshold? ☐ Yes ☒ No

**Part III: Coverage Exemptions for Individuals Claimed on Your Return**  
If you and / or a member of your tax household are claiming an exemption on your return, complete Part III.

a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
Name	SSN	Exemption type	Full year	Jan	Feb	Mar	Apr	Nov	Jun	Jul	Aug	Sep	Oct	Nov	Dec
8 CHARLES BALDWIN	609-XX-XXXX	G	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9 SHAY BALDWIN	610-XX-XXXX	G	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10 NATHANIEL BALDWIN	611-XX-XXXX	G	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11 KARLY BALDWIN	612-XX-XXXX	G	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12															

**Step 3 Result:** See Parts 1, 2 and 3 of Charles and Shay's completed Form 8962 below.

**Part 1: Annual and Monthly Contribution Amount**

1 Family size	4
2a Modified AGI	51250
b Enter total of your dependents' modified AGI	0
3 Household income	51250
4 Federal povertyline - check the appropriate box for the state you resided in. If you moved during 2014 and you lived in Alaska and / or Hawaii, or if filing jointly and you and your spouse lived in different states, check all of the boxes that apply. The table that results in the highest income will be used. <input type="checkbox"/> Alaska <input type="checkbox"/> Hawaii <input checked="" type="checkbox"/> Other 48 states and DC	23550
5 Household income as a percentage of Federal povertyline	218 %
6 Is the result on line 5 less than or equal to 400%? See instructions if result is less than 100%. <input checked="" type="checkbox"/> Yes. Continue to line 7. <input type="checkbox"/> No. You are not eligible to receive the PTC. If you received advance payment of PTC, skip lines 7 and 8 and go to line 9. If you did not receive any advance payment of PTC, stop here.	

If the percentage on line 5 is less than 100%, did the taxpayer qualify for the PTC under the requirements in the instructions? <span style="float: right;"> <input type="radio"/> Yes.    <input type="radio"/> No.         </span>		
7	Applicable figure from the table in the instructions	0.0693
8a	Annual contribution for health care - multiply line 3 by line 7	3552
b	Monthly contribution for health care - divide line 8a by 12	296

**Part 2: Premium Tax Credit Claim and Reconciliation of Advance Payment of Premium Tax Credit**

9 Did you share a policy with another taxpayer or get married during the year and want to use the alternative calculation? (see instructions)

☐ **Yes.** Skip to Part 4, Share Policy Allocation, or Part 5, Alternative Calculation for Year of Marriage

☒ **No.** Continue to line 10.

10 Do all Forms 1095-A for your tax household include coverage for January through December with no changes in monthly amounts shown in lines 21 - 32, columns A and B?

☐ **Yes.** Continue to line 11. Compute your annual PTC. Skip lines 12 - 23 and continue to line 24.

☒ **No.** Continue to lines 12 - 23. Compute your monthly PTC and continue to line 24.

Monthly Calculation						
		A Monthly premium amount Form 1095-A lines 21 - 32, column A	B Monthly premium amount of SLCSP Form 1095-A lines 21 - 32, column B	C Monthly contribution amount Line 8B or alternative marriage contribution	D Monthly maximum premium assistance	E Monthly premium tax credit allowed
F Monthly advance payment of PTC Form 1095-A lines 21 - 32, column C						
12 January	0	0	0	0	0	0
13 February	0	0	0	0	0	0
14 March	0	0	0	0	0	0
15 April	789	789	296	493	493	507
16 May	789	789	296	493	493	507
17 June	789	789	296	493	493	507
18 July	789	789	296	493	493	507
19 August	789	789	296	493	493	507
20 Sept	789	789	296	493	493	507

21	October	789	789	296	493	493	507
22	Nov	789	789	296	493	493	507
23	Dec	789	789	296	493	493	507
24	Total premium tax credit						4437
25	Advance payment of PTC						4563
26	Net premium tax credit						0
<b>Part 3: Repayment of Advance Payment of the Premium Tax Credit</b>							
27	Excess advance payment of PTC						126
28	Repayment limitation						1500
29	Excess advance payment premium tax credit repayment						126

The excess advance premium credit amount carries over to Charles and Shay's Form 1040, page 2.

45	<b>Alternative minimum tax.</b> Attach Form 6251	0
46	Excess advance premium tax credit repayment. Form 8962	126
47	Add lines 44, 45, and 46	2680

The "Full-year coverage" box is not checked.

61	Health care: individual responsibility	Full-year coverage: <input type="checkbox"/>	0
----	--	--	---

This is an opportunity to educate the taxpayers about the Marketplace. For more information, you may refer them to IRS Publication 5152, *Report changes to the Marketplace as they happen*.



#### Example 4 - Coverage Exemptions

- Susan and Lee Parks are married and file a joint return for 2014.
- They have two children, Elizabeth and Emilee, whom they claim as dependents on their return.
- Susan's W-2 box 1 amount is \$26,880, box 2 is \$2,000. Lee's W-2 box 1 amount is \$27,000, and box 2 is \$2,700. Neither they nor their children have any other income.
- Their Social Security numbers are:
  - Lee: 613-XX-XXXX
  - Susan: 614-XX-XXXX
  - Elizabeth: 615-XX-XXXX
  - Emilee: 616-XX-XXXX
- Lee's employer did not offer health insurance coverage for 2014.
- Susan purchased self-only coverage under a plan offered by her employer. Susan's share of the premiums was \$3,120 for the year, which was deducted pre-tax from her salary.
- Susan had the option to purchase family coverage under an insurance plan offered by her employer which would have covered Susan, Lee, Elizabeth, and Emilee, at a cost of \$13,140. Susan and Lee could not afford this plan. Lee, Elizabeth and Emilee did not have health insurance coverage all year.
- Excerpts of their Form 13614-C is shown below. The taxpayers' identities and all Social Security cards were checked.

**Directions:** Start a new return using Practice Lab or TWO. Complete the Main Info sheet and Forms W-2 using the information provided in the interview notes above and the intake sheet below. Allow TaxWise to calculate all other entries for the W-2, child tax credit and EIC. Complete the volunteer sections of the intake sheet. Then complete the following steps:

1. Using the Affordability Worksheet from the Instructions for Form 8965, determine if Lee, Elizabeth or Emilee can claim a coverage exemption.
2. Complete 1040 ACA Wkt
3. Complete Form 8965
4. Compare your result to the screen shots on the following pages

<b>Form 13614-C</b> (October 2014)		Department of the Treasury - Internal Revenue Service <b>Intake/Interview &amp; Quality Review Sheet</b>					OMB Number 1545-1964						
<b>You will need:</b> <ul style="list-style-type: none"> <li>Tax Information such as Forms W-2, 1099, 1098.</li> <li>Social security cards or ITIN letters for all persons on your tax return.</li> <li>Picture ID (such as valid driver's license) for you and your spouse.</li> </ul>							<ul style="list-style-type: none"> <li>Please complete pages 1-3 of this form.</li> <li>You are responsible for the information on your return. Please provide complete and accurate information.</li> <li>If you have questions, please ask the IRS certified volunteer preparer.</li> </ul>						
<b>Part I – Your Personal Information</b>													
1. Your first name		M.I.	Last name		Are you a U.S. citizen?								
Lee			Parks		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No								
2. Your spouse's first name		M.I.	Last name		Is your spouse a U.S. citizen?								
Susan			Parks		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No								
3. Mailing address			Apt #	City	State	ZIP code							
87 Hastings Blvd				Your City	YS	Your ZIP							
4. Telephone number(s) Your Phone # Email address (optional)													
5. Your Date of Birth		6. Your job title		7. Last year, were you:		a. Full time student <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No							
06/01/1968		Construction		b. Totally and permanently disabled <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		c. Legally blind <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No							
8. Your spouse's Date of Birth		9. Your spouse's job title		10. Last year, was your spouse:		a. Full time student <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No							
04/05/1970		Sales		b. Totally and permanently disabled <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		c. Legally blind <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No							
11. Can anyone claim you or your spouse on their tax return? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Unsure													
12. Have you or your spouse: a. Been a victim of identity theft? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No b. Adopted a child? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No													
<b>Part II – Marital Status and Household Information</b>													
1. As of December 31 of last year, were you:													
<input type="checkbox"/> Single (This includes registered domestic partnerships, civil unions, or other formal relationships under state law) <input checked="" type="checkbox"/> Married a. Did you live with your spouse during any part of the last six months of 2014? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No b. Was your marriage recognized under the laws of the state(s) you are filing in? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Unsure <input type="checkbox"/> Divorced or Legally Separated Date of final decree or separate maintenance agreement _____ <input type="checkbox"/> Widowed Year of spouse's death _____													
2. List the names below of:													
• everyone who lived with you last year (other than you or your spouse) • anyone you supported but did not live with you last year													
If additional space is needed check here <input type="checkbox"/> and list on page 3													
<b>To be completed by a Certified Volunteer Preparer</b>													
Name (first, last) Do not enter your name or spouse's name below	Date of Birth (mm/dd/yyyy)	Relationship to you (for example: son, daughter, parent, none, etc)	Number of months lived in your home last year	US Citizen (yes/no)	Resident of US, Canada, or Mexico last year (yes/no)	Single or Married as of 12/31/14 (S/M)	Full-time Student last year (yes/no)	Totally and Permanently Disabled (yes/no)	Can this person be claimed by someone else as a dependent on their return? (yes/no)	Did this person provide more than 50% of their own support? (yes/no)	Did this person have less than \$3950 of income? (yes/no)	Did the taxpayer(s) provide more than 50% of support for this person? (yes/no)	Did the taxpayer(s) pay more than half the cost of maintaining a home for this person? (yes/no)
(a) Elizabeth Parks	(b) 03/02/2012	(c) Daughter	(d) 12	(e) Yes	(f) Yes	(g) S	(h) Yes	(i) No					
Emilee Parks	09/07/2007	Daughter	12	Yes	Yes	S	Yes	No					

Page 2 of the Parks' intake sheet is shown here (all other entries on this page are marked "No"):

Page 2			
Yes	No	Unsure	Check appropriate box for each question in each section
<b>Part III – Income – Last Year, Did You (or Your Spouse) Receive</b>			
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1. (B) Wages or Salary? (Form W-2) If yes, how many jobs did you have last year? <u>2</u>
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	2. (A) Tip Income?
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	3. (B) Scholarships? (Forms W-2, 1098-T)
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	4. (B) Interest/Dividends from: checking/savings accounts, bonds, CDs, brokerage? (Forms 1099-INT, 1099-DIV)

Page 3 of the Parks' intake sheet:

Page 3			
Yes	No	Unsure	Check appropriate box for each question in each section
<b>Part VI: Health Care Coverage (includes CHIP, Medicare, Medicaid, Employer-Sponsored Insurance, Individual Health Insurance, etc.)</b>			
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	1. Last year, did you have health care coverage for you, your spouse, and all qualifying dependents? (Forms W-2, 1099 SSA and Form 1095 series)
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	2. Last year, did you or your spouse receive an advance payment from the Marketplace to help you pay for your monthly health care payments? (Form 1095A)
Visit <a href="http://www.healthcare.gov/">http://www.healthcare.gov/</a> or call 1-800-318-2596 for more information on health insurance coverage options and assistance.			

## Step 1 Result:

Complete the volunteer section on page 1 of the intake sheet:

2. List the names below of: • everyone who lived with you last year (other than you or your spouse) • anyone you supported but did not live with you last year									If additional space is needed check here <input type="checkbox"/> and list on page 3				
Name (first, last) Do not enter your name or spouse's name below	Date of Birth (mm/dd/yy)	Relationship to you (for example: son, daughter, parent, none, etc)	Number of months lived in your home last year	US Citizen (yes/no)	Resident of US, Canada, or Mexico last year (yes/no)	Single or Married as of 12/31/14 (S/M)	Full-time Student last year (yes/no)	Totally and Permanently Disabled (yes/no)	Can this person be claimed by someone else as a dependent on their return? (yes/no)	Did this person provide more than 50% of their own support? (yes/no)	Did this person have less than \$3950 of income? (yes/no)	Did the taxpayer(s) provide more than 50% of support for this person? (yes/no)	Did the taxpayer(s) pay more than half the cost of maintaining a home for this person? (yes/no)
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)					
Elizabeth Parks	03/02/2012	Daughter	12	Yes	Yes	S	Yes	No	No	No	Yes	Yes	Yes
Emilee Parks	09/07/2007	Daughter	12	Yes	Yes	S	Yes	No	No	No	Yes	Yes	Yes

Susan had coverage all year so you do not need to determine if it was affordable. Next, determine if the coverage available to Lee, Elizabeth and Emilee is considered unaffordable.

For purposes of determining whether this coverage exemption applies, increase household income by the amount that Susan's wages were reduced to pay the premiums for employer-sponsored coverage (a salary reduction arrangement). ( $\$53,880 + \$3,120 = \$57,000$ )

The required contribution for Lee, Elizabeth, and Emilee is Susan's share of the cost for family coverage ( $\$13,140/12 = \$1,095$  per month), which is more than 8% of their household income ( $\$57,000 \times .08 = \$4,560$ ;  $\$4,560/12 = \$380$  per month). As a result, Lee, Elizabeth, and Emilee are eligible for the exemption for unaffordable coverage for 2014. Their Affordability Worksheet is completed below:

**(A) Affordability Threshold**

Enter 8% of your household income (see [Household income](#)). For this purpose, increase household income by the amount of any premium that is paid through a salary reduction arrangement and excluded from gross income.

\$380

**(B) Required Contribution Amount**

For each member of your tax household, enter in the columns provided the annual premium for the first option below that applies to that person. If the premium is the same for the whole year, enter the same value for each month. If the premiums covers only part of the year, use the [Annualized Premium Worksheet](#) to determine what the annualized premium would be for each month.

Options (use the first that applies to each member of your tax household, including you, for each month):

1. The lowest cost self-only policy offered to each member of your tax household by his or her employer.
2. The lowest cost family policy\* offered by your employer or your spouse's employer (if you are filing a joint return).
3. The amount from the Marketplace Coverage Affordability Worksheet.

For each individual, coverage is unaffordable and the individual is exempt if (B), the Required Contribution Amount, is greater than (A), the Affordability Threshold.

Members of your tax household (enter one name per column):	Lee	Elizabeth	Emilee			
Premium for:						
January	1,095	1,095	1,095			
February	1,095	1,095	1,095			
March	1,095	1,095	1,095			
April	1,095	1,095	1,095			
May	1,095	1,095	1,095			
June	1,095	1,095	1,095			
July	1,095	1,095	1,095			
August	1,095	1,095	1,095			
September	1,095	1,095	1,095			
October	1,095	1,095	1,095			
November	1,095	1,095	1,095			
December	1,095	1,095	1,095			

\*The policy must cover everyone in your tax household:

- for whom a personal exemption deduction is claimed on your tax return,
- who is not eligible for employer coverage, and
- who does not qualify for another coverage exemption.

After you determine that the taxpayers are eligible for a coverage exemption, complete the volunteer section of the Part VI on the intake sheet:

To be completed by a Certified Volunteer Preparer (Use Publication 4012 and check the appropriate box(es) indicating the health care coverage status for everyone listed on the return)				
Had Health Care Coverage	(B) For the Entire year (12 months)	(B) For part of the year (Less than 12 months)	(B) No Health Care Coverage at all	(B) Qualify for an exemption
Taxpayer			X	X
Spouse	X			
Dependent number 1 (page 1)			X	X
Dependent number 2 (page 1)			X	X
Dependent number 3 (page 1)				
Dependent number 4 (page 1)				

## Step 2 Result:

Susan and Lee's completed Affordable Care Act Worksheet (1040 ACA Wkt) is shown below. Because Susan had minimum essential coverage all year, check the "Full" box. Because Lee, Elizabeth and Emilee are able to claim a coverage exemption, check only the "Exm" box. The boxes that indicate Elizabeth and Emilee are under age 18 are a calculated entry in Practice Lab and populate automatically.

	Full	None	Mkt	Exm	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
LEE PARKS Under age 18 at beginning of month	<input type="radio"/>	<input type="radio"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
SUSAN PARKS Under age 18 at beginning of month	<input checked="" type="radio"/>	<input type="radio"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ELIZABETH PARKS Under age 18 at beginning of month	<input type="radio"/>	<input type="radio"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
EMILEE PARKS Under age 18 at beginning of month	<input type="radio"/>	<input type="radio"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

## Step 3 Result:

Complete Form 8965 Part III to claim coverage exemptions for Lee, Elizabeth and Emilee on the tax return.

Part II: Coverage Exemptions for Your Household Claimed on Your Return																
7a Are you claiming an exemption because your household income is below the filing threshold?															<input type="radio"/> Yes <input checked="" type="radio"/> No	
b Are you claiming a hardship exemption because your gross income is below the filing threshold?															<input type="radio"/> Yes <input checked="" type="radio"/> No	
Part III: Coverage Exemptions for Individuals Claimed on Your Return																
If you and / or a member of your tax household are claiming an exemption on your return, complete Part III.																
a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	
Name	SSN	Exemption type	Full year	Jan	Feb	Mar	Apr	Nov	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
8 LEE PARKS	613-XX-XXXX	A	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
9 ELIZABETH PARKS	615-XX-XXXX	A	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
10 EMILEE PARKS	616-XX-XXXX	A	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	



The “Full-year coverage” box is not checked.

61 Health care: individual responsibility	Full-year coverage: <input type="checkbox"/>	<div></div> 0
---	--	---------------

This is an opportunity to educate the taxpayers about the Marketplace. For more information, you may refer them to IRS Publications 5156, *Facts about the Individual Shared Responsibility Provision*, and Pub 5121, *Need help paying for health insurance premiums?*

## Example 5 - Shared Responsibility Payment

- Edward and Julia Fulton are married and file a joint return. Their SSNs are:
  - Edward – 617-XX-XXXX
  - Julia – 618-XX-XXXX
- Neither had minimum essential coverage for any month during 2014 and they do not qualify for a coverage exemption.
- Edward's W-2 box 1 amount is \$40,000 and box 2 is \$5,000. Julia's W-2 shows \$17,000 in box 1 and \$0 in box 2. Neither Edward nor Julia has any other income.

**Directions:** Start a new return using Practice Lab or TWO. Complete the Main Info sheet and Forms W-2 using the information provided in the interview notes above and the intake sheet excerpts below. Allow TaxWise to calculate all other entries for the W-2. Complete the volunteer sections of the intake sheet. Then complete the following steps:

- Complete 1040 ACA Wkt
- Compare your result to the screen shots on the following pages

Form <b>13614-C</b> (October 2014)	Department of the Treasury - Internal Revenue Service <b>Intake/Interview &amp; Quality Review Sheet</b>	OMB Number 1545-1064																																																																																																										
<p><b>You will need:</b></p> <ul style="list-style-type: none"> <li>Tax Information such as Forms W-2, 1099, 1098.</li> <li>Social security cards or ITIN letters for all persons on your tax return.</li> <li>Picture ID (such as valid driver's license) for you and your spouse.</li> </ul>																																																																																																												
<p><b>Part I – Your Personal Information</b></p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 40%;">1. Your first name <b>Edward</b></td> <td style="width: 10%;">M.I.</td> <td style="width: 30%;">Last name <b>Fulton</b></td> <td style="width: 20%;">Are you a U.S. citizen? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</td> </tr> <tr> <td>2. Your spouse's first name <b>Julia</b></td> <td>M.I.</td> <td>Last name <b>Fulton</b></td> <td>Is your spouse a U.S. citizen? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</td> </tr> <tr> <td colspan="2">3. Mailing address <b>456 Stonehill Rd</b></td> <td>Apt #</td> <td>City <b>Your City</b></td> </tr> <tr> <td colspan="2">4. Telephone number(s) <b>Your Phone #</b></td> <td colspan="2">Email address (optional)</td> </tr> <tr> <td>5. Your Date of Birth <b>06/01/1984</b></td> <td>6. Your job title <b>Manager</b></td> <td colspan="2">7. Last year, were you:</td> </tr> <tr> <td></td> <td></td> <td colspan="2">a. Full time student <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</td> </tr> <tr> <td></td> <td></td> <td colspan="2">b. Totally and permanently disabled <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</td> </tr> <tr> <td></td> <td></td> <td colspan="2">c. Legally blind <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</td> </tr> <tr> <td>8. Your spouse's Date of Birth <b>01/06/1985</b></td> <td>9. Your spouse's job title <b>Customer Service Rep</b></td> <td colspan="2">10. Last year, was your spouse:</td> </tr> <tr> <td></td> <td></td> <td colspan="2">a. Full time student <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</td> </tr> <tr> <td></td> <td></td> <td colspan="2">b. Totally and permanently disabled <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</td> </tr> <tr> <td></td> <td></td> <td colspan="2">c. Legally blind <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</td> </tr> <tr> <td colspan="4">11. Can anyone claim you or your spouse on their tax return? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Unsure</td> </tr> <tr> <td colspan="4">12. Have you or your spouse:</td> </tr> <tr> <td colspan="4">a. Been a victim of identity theft? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</td> </tr> <tr> <td colspan="4">b. Adopted a child? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</td> </tr> </table> <p><b>Part II – Marital Status and Household Information</b></p> <p>1. As of December 31 of last year, were you:</p> <p><input type="checkbox"/> Single (This includes registered domestic partnerships, civil unions, or other formal relationships under state law)</p> <p><input checked="" type="checkbox"/> Married a. Did you live with your spouse during any part of the last six months of 2014? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Divorced or Legally Separated b. Was your marriage recognized under the laws of the state(s) you are filing in? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Unsure</p> <p><input type="checkbox"/> Widowed Date of final decree or separate maintenance agreement <input type="text"/></p> <p>Year of spouse's death <input type="text"/></p> <p>2. List the names below of:</p> <p>• everyone who lived with you last year (other than you or your spouse)</p> <p>• anyone you supported but did not live with you last year</p> <p style="text-align: right;">If additional space is needed check here <input type="checkbox"/> and list on page 3</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 15%;">Name (first, last) Do not enter your name or spouse's name below</th> <th style="width: 10%;">Date of Birth (mm/dd/yyyy)</th> <th style="width: 10%;">Relationship to you (for example: son, daughter, parent, none, etc)</th> <th style="width: 10%;">Number of months lived in your home last year</th> <th style="width: 10%;">US Citizen (yes/no)</th> <th style="width: 10%;">Resident of US, Canada, or Mexico last year (yes/no)</th> <th style="width: 10%;">Single or Married as of 12/31/14 (S/M)</th> <th style="width: 10%;">Full-time Student last year (yes/no)</th> <th style="width: 10%;">Totally and Permanently Disabled (yes/no)</th> <th style="width: 10%;">Can this person be claimed by someone else as a dependent on their return? (yes/no)</th> <th style="width: 10%;">Did this person provide more than 50% of their own support? (yes/no)</th> <th style="width: 10%;">Did this person have less than \$3950 of income? (yes/no)</th> <th style="width: 10%;">Did the taxpayer(s) provide more than 50% of support for this person? (yes/no)</th> <th style="width: 10%;">Did the taxpayer(s) pay more than half the cost of maintaining a home for this person? (yes/no)</th> </tr> <tr> <td>(a)</td> <td>(b)</td> <td>(c)</td> <td>(d)</td> <td>(e)</td> <td>(f)</td> <td>(g)</td> <td>(h)</td> <td>(i)</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> </tr> </table>			1. Your first name <b>Edward</b>	M.I.	Last name <b>Fulton</b>	Are you a U.S. citizen? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	2. Your spouse's first name <b>Julia</b>	M.I.	Last name <b>Fulton</b>	Is your spouse a U.S. citizen? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	3. Mailing address <b>456 Stonehill Rd</b>		Apt #	City <b>Your City</b>	4. Telephone number(s) <b>Your Phone #</b>		Email address (optional)		5. Your Date of Birth <b>06/01/1984</b>	6. Your job title <b>Manager</b>	7. Last year, were you:				a. Full time student <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				b. Totally and permanently disabled <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				c. Legally blind <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		8. Your spouse's Date of Birth <b>01/06/1985</b>	9. Your spouse's job title <b>Customer Service Rep</b>	10. Last year, was your spouse:				a. Full time student <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				b. Totally and permanently disabled <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				c. Legally blind <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		11. Can anyone claim you or your spouse on their tax return? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Unsure				12. Have you or your spouse:				a. Been a victim of identity theft? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				b. Adopted a child? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				Name (first, last) Do not enter your name or spouse's name below	Date of Birth (mm/dd/yyyy)	Relationship to you (for example: son, daughter, parent, none, etc)	Number of months lived in your home last year	US Citizen (yes/no)	Resident of US, Canada, or Mexico last year (yes/no)	Single or Married as of 12/31/14 (S/M)	Full-time Student last year (yes/no)	Totally and Permanently Disabled (yes/no)	Can this person be claimed by someone else as a dependent on their return? (yes/no)	Did this person provide more than 50% of their own support? (yes/no)	Did this person have less than \$3950 of income? (yes/no)	Did the taxpayer(s) provide more than 50% of support for this person? (yes/no)	Did the taxpayer(s) pay more than half the cost of maintaining a home for this person? (yes/no)	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)																			
1. Your first name <b>Edward</b>	M.I.	Last name <b>Fulton</b>	Are you a U.S. citizen? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No																																																																																																									
2. Your spouse's first name <b>Julia</b>	M.I.	Last name <b>Fulton</b>	Is your spouse a U.S. citizen? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No																																																																																																									
3. Mailing address <b>456 Stonehill Rd</b>		Apt #	City <b>Your City</b>																																																																																																									
4. Telephone number(s) <b>Your Phone #</b>		Email address (optional)																																																																																																										
5. Your Date of Birth <b>06/01/1984</b>	6. Your job title <b>Manager</b>	7. Last year, were you:																																																																																																										
		a. Full time student <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No																																																																																																										
		b. Totally and permanently disabled <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No																																																																																																										
		c. Legally blind <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No																																																																																																										
8. Your spouse's Date of Birth <b>01/06/1985</b>	9. Your spouse's job title <b>Customer Service Rep</b>	10. Last year, was your spouse:																																																																																																										
		a. Full time student <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No																																																																																																										
		b. Totally and permanently disabled <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No																																																																																																										
		c. Legally blind <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No																																																																																																										
11. Can anyone claim you or your spouse on their tax return? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Unsure																																																																																																												
12. Have you or your spouse:																																																																																																												
a. Been a victim of identity theft? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No																																																																																																												
b. Adopted a child? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No																																																																																																												
Name (first, last) Do not enter your name or spouse's name below	Date of Birth (mm/dd/yyyy)	Relationship to you (for example: son, daughter, parent, none, etc)	Number of months lived in your home last year	US Citizen (yes/no)	Resident of US, Canada, or Mexico last year (yes/no)	Single or Married as of 12/31/14 (S/M)	Full-time Student last year (yes/no)	Totally and Permanently Disabled (yes/no)	Can this person be claimed by someone else as a dependent on their return? (yes/no)	Did this person provide more than 50% of their own support? (yes/no)	Did this person have less than \$3950 of income? (yes/no)	Did the taxpayer(s) provide more than 50% of support for this person? (yes/no)	Did the taxpayer(s) pay more than half the cost of maintaining a home for this person? (yes/no)																																																																																															
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)																																																																																																				

All other entries on page 2 of the intake sheet are marked “No.”

Yes			No			Unsure			Check appropriate box for each question in each section		
<b>Part III – Income – Last Year, Did You (or Your Spouse) Receive</b>											
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	1. (B) Wages or Salary? (Form W-2) If yes, how many jobs did you have last year? <u>2</u>								
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	2. (A) Tip Income?								
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	3. (B) Scholarships? (Forms W-2, 1098-T)								
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	4. (B) Interest/Dividends from: checking/savings accounts, bonds, CDs, brokerage? (Forms 1099-INT, 1099-DIV)								

Yes			No			Unsure			Check appropriate box for each question in each section		
<b>Part VI: Health Care Coverage (includes CHIP, Medicare, Medicaid, Employer-Sponsored Insurance, Individual Health Insurance, etc.)</b>											
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	1. Last year, did you have health care coverage for you, your spouse, and all qualifying dependents? (Forms W-2, 1099 SSA and Form 1095 series)								
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	2. Last year, did you or your spouse receive an advance payment from the Marketplace to help you pay for your monthly health care payments? (Form 1095A)								

## Step 1 Result:

Complete the volunteer section of Part VI of Edward and Julia's intake sheet:

payments.				
To be completed by a Certified Volunteer Preparer (Use Publication 4012 and check the appropriate box(es) indicating the health care coverage status for everyone listed on the return)				
Had Health Care Coverage	(B) For the Entire year (12 months)	(B) For part of the year (Less than 12 months)	(B) No Health Care Coverage at all	(B) Qualify for an exemption
Taxpayer			X	
Spouse			X	
Dependent number 1 (page 1)				
Dependent number 2 (page 1)				
Dependent number 3 (page 1)				
Dependent number 4 (page 1)				

Edward and Julia's completed Affordable Care Act Worksheet (1040Wkt8) is shown below. Neither of them had minimum essential coverage for any month, so you must check the "None" box for both taxpayers.

	Full	None	Mkt	Exm	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
EDWARD FULTON	<input type="radio"/>	<input checked="" type="radio"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Under age 18 at beginning of month					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
JULIA FULTON	<input type="radio"/>	<input checked="" type="radio"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Under age 18 at beginning of month					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1 Total number of boxes checked per month, maximum of 5	2	2	2	2	2	2	2	2	2	2	2	2
2 Total number of boxes checked per month for individuals 18 or over	2	2	2	2	2	2	2	2	2	2	2	2
3 One-half the number of boxes checked per month for individuals under 18	0	0	0	0	0	0	0	0	0	0	0	0
4 Add lines 3 and 4 for each month	2	2	2	2	2	2	2	2	2	2	2	2
5 Multiply line 4 by \$95 for each month, maximum of \$285	190	190	190	190	190	190	190	190	190	190	190	190
6 Sum of the number of boxes checked on line 1 above for the year												24
7 Household income												57000
Enter the total modified AGI for all dependents included in this return												0
8 Filing threshold												20300
9 Subtract line 8 from line 7												36700
10 Multiply line 9 by 1%												367

11 Is line 10 more than \$285?	
<input checked="" type="checkbox"/> Yes. Multiply line 10 by the number of months for which line 1 is more than zero.	
<input type="checkbox"/> No. Amount calculated based on the flat dollar amount worksheet	4404
12 Divide line 11 by 12	367
13 Multiply line 6 by \$204	4896
14 Smaller of line 12 or line 13	367

The shared responsibility payment calculated above will carry over to Edward and Julia's Form 1040, page 2, shown below:

Other Taxes					
57	Self-employment tax	<input type="checkbox"/> Form 4029	<input type="checkbox"/> Form 4361	<input type="checkbox"/> Exempt Notary	0
58	Social security\ Medicare tax from	<input type="checkbox"/> Form 4137	<input type="checkbox"/> Form 8919	<input type="checkbox"/> RRTA	0
59	Additional tax on IRAs, other qualified retirement plans, etc				0
60a	Household employment taxes. Schedule H				0
	b First-time homebuyer credit repayment. Form 5405				0
61	Health care: individual responsibility	Full-year coverage: <input type="checkbox"/>			367

# Link & Learn Taxes

**Link & Learn Taxes** is web-based training designed specifically for VITA/TCE volunteers. Each volunteer's ability to prepare complete and accurate returns is vital to the credibility and integrity of the program. Link & Learn Taxes, as part of the complete volunteer training kit, provides the path to achieving this high level of quality service.

Link & Learn Taxes and the printed technical training kit, Publication 4480, work together to help volunteers learn and practice.

## Link & Learn Taxes for 2014 includes:

- Access to all VITA/TCE courses
- Easy identification of the VITA/TCE courses with the course icons
  - As you progress through a lesson, the content for Basic, Advanced, Military, or International will display, depending on the level of certification you selected
- PowerPoint presentations that can be customized to fit your classroom needs
- VITA/TCE Central to provide centralized access for training materials and reference links
- The Practice Lab
  - Gives volunteers practice with an early version of the IRS-provided tax preparation software
  - Lets volunteers complete workbook problems from Publication 4491W
  - Lets volunteers prepare test scenario returns for the test/retest



**Go to [www.irs.gov](http://www.irs.gov), type “Link & Learn” in the Keyword field and click Search. You’ll find a detailed overview and links to the courses.**

**FSA (Facilitated Self Assistance)** empowers taxpayers to prepare their own return with the assistance of a certified volunteer. Taxpayers complete their own return using interview-based software supplied by leaders in the tax preparation industry. Volunteers assist taxpayers with tax law and software questions.

**Virtual VITA** allows partners to initiate the intake process for taxpayers in one location, while utilizing a certified volunteer to prepare the return in an entirely different location. By incorporating this flexibility, partners can provide taxpayers with more convenient locations to file their taxes.

**For more information contact your SPEC Relationship Manager to see if you should start a FSA or Virtual VITA site in your community.**



**www.irs.gov**



## **Your online resource for volunteer and taxpayer assistance**

### **The Volunteer Resource Center** (Keyword: Volunteer Resource Center)

- Hot topics for volunteers and partners
- Site Coordinator's Corner
- Volunteer Tax Alerts
- Volunteer Training Resources
- EITC Information for Partners
- e-file Materials and Outreach Products

### **Tax Information for Individuals** (Keyword: Individuals)

- 1040 Central (What's new this filing season)
- Where's My Refund
- EITC Assistant - Available in English and Spanish
- Tax Trails for answers to common tax questions
- Alternative Minimum Tax (AMT) Assistant
- Interactive Tax Assistant (ITA)

**and much more!**

**Your direct link to tax information 24/7**

**www.irs.gov**